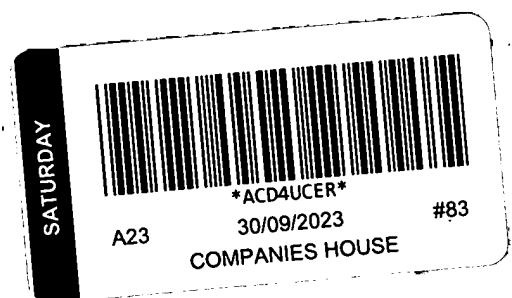


Registered number: 02156066

BARCLAYS UNQUOTED INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



BARCLAYS UNQUOTED INVESTMENTS LIMITED

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BARCLAYS UNQUOTED INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their annual report together with the audited financial statements of Barclays Unquoted Investments Limited (the 'Company') for the year ended 31 December 2022.

Results and dividends

During the year the Company made a loss after tax of £11,930,582 (2021: profit after tax of £75,391,421). This is mainly driven by lower multiples, along with a prudent approach being taken for the year due to the inflationary scenario and economic slowdown. The Directors do not recommend the payment of a dividend (2021: £nil).

Post balance sheet events

In September 2023, the Company paid an interim dividend of £175m to its immediate holding company Barclays Equity Holdings Limited, out of the excess cash and reserves of the Company.

Directors

The Directors of the Company, who served during the year and up to the date of signing the financial statements, are as shown below:

A Challis
G Chapman
P Forrest (appointed 1 August 2022)
D Mudie
M Temani (resigned 29 July 2022)

Going concern

After reviewing the Company's business activities, financial position and performance projections and available banking facilities, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations as they fall due and to continue in operational existence for at least the next 12 months from the date of signing these financial statements. For this reason, the Directors have adopted the going concern basis in preparing these financial statements.

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK-adopted international accounting standards.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements (continued)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Financial risk management

The Company's activities are exposed to a variety of financial risks. The Company is required to follow the requirements of the Barclays Group ('the Group') risk management policies, which include specific guidelines on the management of foreign exchange, interest rate and credit risks, and advice on the use of financial instruments to manage them. The main financial risks that the Company is exposed to are outlined in note 15.

Directors third party indemnity provisions

Qualifying third party indemnity provisions were in force (as defined by section 234 of the Companies Act 2006) during the course of the financial year ended 31 December 2022 for the benefit of the then Directors and, at the date of this report, are in force for the benefit of the Directors in relation to certain losses and liabilities, including qualifying third party indemnity provisions and qualifying indemnity provisions which may occur (or have occurred) in connection with their duties, powers or office.

Environment

The Barclays Group focuses on addressing environmental issues where it is felt that there is the greatest potential to make a difference. As the global effort to tackle climate change grows, the Group is moving rapidly to take a leading role in contributing to the transition to a low-carbon economy. In March 2020, the Group set out its ambition to be a net zero bank by 2050.

To successfully fulfil against our purpose, we must ensure that we address the needs of all our stakeholders. This includes our customers and clients, colleagues, investors and the societies in which we operate.

The longevity of our business can only be ensured if we help tackle the challenges of our time, such as social inequality and climate change, whilst minimising any unintended and adverse impacts of our operations and our business as a financial institution. To this end we seek to identify and understand the environmental, social and governance ('ESG') factors which impact our organisation and how we shape and impact the environment and society around us. We do this in the context of the financial services we provide, the geographies in which we operate and the needs of our customers and clients.

We will continue to identify new opportunities and strive to integrate our broader social and environmental impact into the way we run and govern our business and the work we do every day to help customers and clients, colleagues and society.

While we have managed ESG issues for several years, our approach continues to evolve in response to a dynamic external environment, increasing investor and other stakeholder attention and continued innovation in our business and product offerings. We recognise that the focus on the societal impact of businesses and performance against wider ESG factors has increased in recent years, with growing interest from a range of stakeholders including investors, clients, policy makers and regulators.

Disclosure of global greenhouse gas emissions is done at a Barclays Group level with information available in the Barclays PLC Annual Report 2022, which does not form part of this report, with fuller disclosure available on the Barclays website at <https://home.barclays/sustainability/addressing-climate-change/>.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Independent auditor


Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Statement of disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware. The Directors have taken all the steps that ought to have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

In response to The Companies (Miscellaneous Reporting) Regulations 2018, further information on stakeholder engagement can be found in the Strategic Report.

This report was approved by the Board and signed on its behalf by:

DocuSigned by:

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G Chapman

Director

Date: 27 September 2023

Registered number: 02156066

BARCLAYS UNQUOTED INVESTMENTS LIMITED**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022****Business review and principal activities**

The principal activity of the Company is to provide equity finance to support the development of established businesses requiring funding for their next phase of growth/ownership. The Company made thirteen new investments and nine disposals in the year of 2022. (2021: Twenty new investments and fourteen disposals).

Business performance

The results of the Company show a loss after tax of £11,930,582 (2021: profit after tax of £75,391,421) for the year. The Company has net assets of £354,974,401 (2021: £366,904,983). Net cash used in operating activities for 2022 was £19,106,103 (2021: net cash from operating activities of £6,268,153).

Future outlook

The immediate economic outlook in 2023 remains uncertain. A further worsening of economic conditions could potentially have a material adverse impact on the current investments portfolio.

The Company will therefore focus on the active investment management of its portfolio to ensure that, wherever feasible, the businesses are robust enough to handle the on-going difficult trading conditions, including being able to take advantage of acquisition and organic growth opportunities. In addition, the medium term outlook is positive for the successful realisation of certain assets.

Principal risks and uncertainties

The Company is exposed to internal and external risks as part of its ongoing activities. These risks are managed as part of the Company's business model.

Risks are identified and overseen in accordance with the Barclays Enterprise Risk Management Framework ("ERMF"), which supports the business in its aim to embed effective risk management and a strong risk management culture.

The ERMF governs the way in which risk is identified and managed. The ERMF is approved by the Barclays PLC board on the recommendation of the Barclays Group Chief Risk Officer and adopted throughout the Group, with minor modifications where needed.

The management of risk is then embedded into each level of the business, with all colleagues being responsible for identifying and controlling risk.

Given increasing risks associated with climate change and to support Group ambitions to be net zero by 2050, climate risk became a principal risk at the start of 2022.

The ERMF defines nine principal risks as:

- Credit risk
- Market risk
- Treasury and capital risk
- Climate risk
- Operational risk
- Model risk
- Conduct risk
- Reputation risk
- Legal risk

Risk appetite defines the level of risk we are prepared to accept across the different risk types, taking into consideration varying levels of financial and operational stress.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Principal risks and uncertainties (continued)

During 2022, the Barclays Group, including the Company, ran a stress test to assess its capital adequacy and resilience under a severe but plausible macroeconomic scenario. The internal stress test was informed by the Bank of England 2022 regulatory stress test featuring high and persistent inflation, rising global interest rates, a severe UK recession brought by falling household real incomes, job losses leading to a high unemployment rate, energy and cost of goods shocks, increasing corporate defaults, and severe house and real estate price shocks.

An increased level of government sanctions, because of geopolitical tensions, has also heightened awareness of certain principal risks such as conduct and reputational risk. The key business risks affecting the Company are primarily around: effective investment selection and structuring; documenting of investor protection rights; and on-going tracking of business performance within the investment portfolio.

The above risks are managed by; bi-annual investment valuations process; regular portfolio reviews; and through the use of investor protection rights. The Company did not invoke the investor protection rights on any of its investments during the year.

Key performance indicators

The Company has made significant progress during the year on its objectives and business strategy. The Board of Directors monitors progress on the overall strategy by reference to the following key performance indicators: the number of new investments made: thirteen (2021: twenty); disposals of investments: nine (2021: fourteen); the value of fair value through profit and loss assets: £483,055,752 (2021: £384,295,843).

Section 172(1) statement

The Directors have acted in a way that they considered, in good faith, would be most likely to promote the success of the Company for the benefit of its sole member and this section forms our Section 172 disclosure, describing how, in doing so, the Directors considered the matters set out in section 172(1)(a) to (f) of the Companies Act 2006. The Directors also took into account the views and interests of a wider set of stakeholders.

The Directors considered, amongst other matters, the following:

- the likely consequences of any decision in the long term;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company's maintaining a reputation for high standards of business conduct; and
- to act fairly between members of the Company.

You can find out more about who the Barclays Group's key stakeholders are, how management and/or the Directors engaged with them, the key issues raised and actions taken on pages 16 to 20 of the Barclays PLC Annual Report 2022 which is incorporated by reference into this statement.

Considering this broad range of interests is an important part of the way the Board makes decisions; however, in balancing those different perspectives it won't always be possible to deliver everyone's desired outcome.

How does the Board engage with stakeholders?

Depending on the decision in question, the relevance of each particular stakeholder group may differ and equally the Board adopts a variety of methods of engagement with different stakeholder groups. The Board will sometimes engage directly with certain stakeholders on certain issues, but the size and distribution of our stakeholders and of the Company means that stakeholder engagement often takes place at an operational level.

In addition, to ensure a more efficient and effective approach, certain stakeholder engagement is led at Barclays Group level, in particular where matters are of group-wide significance or have the potential to impact the reputation of the Barclays Group.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172(1) statement (continued)

The Board considers and discusses information from across the organisation to help it understand the impact of the Company's operations, and the interests and views of our key stakeholders. It also reviews strategy, financial and operational performance, as well as information covering areas such as key risks, and legal and regulatory compliance. This information is provided to the Board through reports sent in advance of each Board meeting, and through in-person presentations.

As a result of these activities and the information it receives, the Board has an overview of engagement with stakeholders, and other relevant factors, which enables the Directors to comply with their legal duty under section 172 of the Companies Act 2006.

The following are some examples of how the Directors have had regard to the matters set out in sections 172 (1)(a)-(f) when discharging their section 172 duties and the effect of that on certain of the decisions taken by them.

Engagement in action

Supporting our customers, clients, colleagues and communities through challenging times

In response to unusually large increases to living costs experienced by UK colleagues, Barclays Group brought forward part of the 2023 pay increase, awarding 35,000 UK-based junior colleagues a £1,200 salary increase effective from August 2022, ahead of our annual salary review. In January 2023, Barclays Group worked closely with Unite the Union to agree a 2023 UK pay deal which, combined with the August 2022 increases, brought the total average salary increase for our lowest paid colleagues up to 11%. By doing this Barclays Group ensured that the minimum rate of pay in the UK remains well ahead of Living Wage Foundation benchmarks.

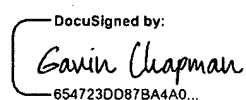
Responding to the impacts of the Russian invasion of Ukraine

The impacts of the war are numerous and widespread, with implications for Barclays Group, its clients and customers and other stakeholders. This has resulted in heightened awareness of certain principal risks such as conduct, reputational, compliance and cyber risk. These risks are managed within the established risk framework and key performance indicators remain within the risk appetite defined by the Company.

Management of key business risks

The Board is focused on active management of business risks through effective investment selection and structuring, on-going tracking of business performance within the investment portfolio and positive and successful realisation of assets which has resulted in thirteen new investments and successful realisation of nine investments during the year. The active management of investments has also resulted in upgrading the stake in one of the investments (Female Innovator's Lab) to a wholly owned subsidiary.

This report was approved by the Board and signed on its behalf by:

DocuSigned by:

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G Chapman
Director
Date: 27 September 2023
Registered number: 02156066

BARCLAYS UNQUOTED INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS UNQUOTED INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Barclays Unquoted Investments Limited ("the Company") for the year ended 31 December 2022 which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and related notes, including the accounting policies in note 4.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS UNQUOTED INVESTMENTS LIMITED (CONTINUED)

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and operational managers including inspection of policy documentation as to the Company's high-level policies to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading of Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit, we do not believe there is a fraud risk related to revenue recognition because the calculation of revenue is straightforward with no judgement involved in the calculation, and no pressures or incentives for management to manipulate revenue have been identified.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the group-wide fraud risk management controls.

We identified journal entries to test based on high risk criteria as well as testing all material post-closing journals. We compared the identified entries to supporting documentation. Such as posting to account linked to a fraud risk and key words such as reversal, restatement reclassification.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors and other management (as required by auditing standards), and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect of amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's licence to operate.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS UNQUOTED INVESTMENTS LIMITED (CONTINUED)

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as they may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and Directors' report

The Directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements of our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARCLAYS UNQUOTED INVESTMENTS LIMITED (CONTINUED)

Directors' responsibilities

As explained more fully in their statement set out on page 2 to 3, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Matthew Green (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
Date: 28/09/2023

BARCLAYS UNQUOTED INVESTMENTS LIMITED**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Continuing operations			
Net (losses)/gains on financial assets at fair value through the income statement		(14,700,996)	77,868,268
Dividends from equity investments		10,885,165	9,492,715
Other (expense)/income from financial assets		(2,287,281)	1,226,157
Gross (loss)/profit		(6,103,112)	88,587,140
Administrative expenses		157	125
Operating (loss)/profit		(6,102,955)	88,587,265
Exchange (loss)/profit		(1,704,333)	353,369
Interest income and similar income	5	7,007,663	8,545,775
Interest expense and similar expense	5	(10,554,305)	(11,996,259)
(Loss)/profit before tax	6	(11,353,930)	85,490,150
Tax expense	8	(576,652)	(10,098,729)
(Loss)/profit for the year		(11,930,582)	75,391,421
Total comprehensive income		(11,930,582)	75,391,421

The accompanying notes form an integral part of the financial statements.

BARCLAYS UNQUOTED INVESTMENTS LIMITED
REGISTERED NUMBER: 02156066

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022


	Note	2022 £	2021 £
Assets			
Non-current assets			
Investments in subsidiaries	10	8,682,727	-
Long term deposits	11	9,107,912	11,561,581
Total non-current assets		17,790,639	11,561,581
Current assets			
Financial assets at fair value through the income statement	9	483,055,752	384,295,843
Other assets		514,978	420,755
Cash and cash equivalents		48,286,987	145,927,704
Short term deposits	11	280,215,291	508,311,566
Current tax assets	8	632,044	1,220,762
Total current assets		812,705,052	1,040,176,630
Total assets		830,495,691	1,051,738,211
Liabilities			
Non-current liabilities			
Deferred tax liabilities	8	17,167,159	15,851,474
Long term borrowings	12	141,891,291	91,812,439
Total non-current liabilities		159,058,450	107,663,913
Current liabilities			
Trade and other payables	13	2,142,760	622,015
Short term borrowings	12	314,320,080	576,547,300
Total current liabilities		316,462,840	577,169,315
Total liabilities		475,521,290	684,833,228
Net assets		354,974,401	366,904,983
Issued capital and reserves			
Share capital	14	1,000	1,000
Retained earnings		354,973,401	366,903,983
Total equity		354,974,401	366,904,983

BARCLAYS UNQUOTED INVESTMENTS LIMITED
REGISTERED NUMBER: 02156066

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

The accompanying notes form an integral part of the financial statements.

The financial statements were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

DocuSigned by:

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G Chapman
Director
Date: 27 September 2023
Registered number: 02156066

BARCLAYS UNQUOTED INVESTMENTS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2022	1,000	366,903,983	366,904,983
Comprehensive loss for the year			
Loss for the year	-	(11,930,582)	(11,930,582)
Total comprehensive loss for the year	-	(11,930,582)	(11,930,582)
At 31 December 2022	1,000	354,973,401	354,974,401

	Share capital £	Retained earnings £	Total equity £
At 1 January 2021	1,000	291,512,562	291,513,562
Comprehensive income for the year			
Profit for the year	-	75,391,421	75,391,421
Total comprehensive income for the year	-	75,391,421	75,391,421
At 31 December 2021	1,000	366,903,983	366,904,983

The accompanying notes form an integral part of the financial statements.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Continuing operations		
Cash flows from operating activities		
(Loss)/profit for the year	(11,930,582)	75,391,421
Adjustments for		
Net interest expense	3,546,642	3,450,484
Net gain on financial assets held at fair value through the income statement	(14,053,088)	(87,393,740)
Income tax expense	576,652	10,098,729
	<u>(21,860,376)</u>	<u>1,546,894</u>
Changes in operating assets and liabilities		
Increase in other assets	(94,223)	(55,012)
Increase in trade and other payables	1,520,745	393,062
	<u>(20,433,854)</u>	<u>1,884,944</u>
Cash generated from operations		
Tax paid	1,327,751	4,383,209
	<u>(19,106,103)</u>	<u>6,268,153</u>
Net cash (used in)/from operating activities		
Cash flows from investing activities		
Purchase of investments	(120,244,037)	(49,286,305)
Proceeds from sale of investments	15,969,325	57,709,897
Interest received	7,007,663	8,545,775
Dividends received	10,885,165	9,525,473
	<u>(86,381,884)</u>	<u>26,494,840</u>
Net cash (used in)/from investing activities		
Cash flows from financing activities		
Proceeds from bank borrowings	-	107,065,077
Repayment of bank borrowings	(212,148,368)	-
Interest paid	(10,554,305)	(11,996,259)
	<u>(222,702,673)</u>	<u>95,068,818</u>
Net cash (used in)/from financing activities		

BARCLAYS UNQUOTED INVESTMENTS LIMITED**STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Net cash (decrease)/increase in cash and cash equivalents	(328,190,660)	127,831,811
Cash and cash equivalents at the beginning of year*	665,800,851	537,969,040
Callable loans and deposits given to group companies	(289,323,204)	(519,873,147)
Cash and cash equivalents at the end of the year	48,286,987	145,927,704

The accompanying notes form an integral part of the financial statements.

*Cash and cash equivalents balances at the beginning of year include callable loans and deposits given to group companies of £519.87m (2021: £434.10m).

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Reporting entity

The Company is a private limited company domiciled and incorporated in the United Kingdom. The address of the registered office of the Company is 1 Churchill Place, London, E14 5HP. These financial statements are prepared for Barclays Unquoted Investments Limited (the 'Company'), the principal activity of which is to provide equity finance to support the development of established businesses requiring funding for their next phase of growth/ownership. These financial statements are separate financial statements prepared for the Company only, in line with the UK Companies Act 2006. The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its Group. The parent undertaking of the smallest group that presents consolidated financial statements is Barclays PLC and the ultimate holding company and the parent undertaking of the largest group that presents group financial statements is also Barclays PLC, which prepares consolidated financial statements in accordance with UK-adopted international accounting standards and accordingly consolidated financial statements have not been prepared based on the exemption provided under paragraph 4(a) of IFRS 10.

2. Basis of preparation

The Company financial statements have been prepared in accordance with UK-adopted international accounting standards. The principal accounting policies applied in the preparation of the individual financial statements are set out below, and in the relevant notes to the financial statements. These policies have been consistently applied.

Details of the Company's accounting policies, including changes during the year, are included in note 4.

2.1 Basis of measurement

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include the fair valuation of certain financial instruments to the extent required or permitted under IFRS 9, as set out in the relevant accounting policies.

Going concern

After reviewing the Company's business activities, financial position and performance projections and available banking facilities, the Directors are satisfied that the Company has adequate access to resources to enable it to meet its obligations as they fall due and to continue in operational existence for at least the next 12 months from the date of signing these financial statements. For this reason, the Directors have adopted the going concern basis in preparing these financial statements.

2.2 New and amended standards

i) New standards, interpretations and amendments effective from 1 January 2022

There are no new or amended standards that have had a material impact on the Company's accounting policies.

ii) New standards, interpretations and amendments not yet effective

There are no new or amended standards that are expected to have a material impact on the Company's accounting policies.

3. Functional and presentation currency

These financial statements are presented in pound sterling, the currency of the country in which the Company is incorporated. All amounts have been rounded to the nearest pound, unless otherwise indicated.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****4. Summary of significant accounting policies****4.1 Foreign currency translation**

The Company applies IAS 21 The Effects of Changes in Foreign Exchange Rates. Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction. Foreign currency monetary balances are translated into Sterling at the period end exchange rates. Exchange gains and losses on such balances are taken to the Statement of Profit or Loss and Other Comprehensive Income. Non-monetary foreign currency balances in relation to items measured in terms of historical cost are carried at historical transaction date exchange rates. Non-monetary foreign currency balances in relation to items measured at fair value are translated using the exchange rate at the date when the fair value was measured.

4.2 Revenue recognition

The Company applies IFRS 15 Revenue from Contracts with Customers. The standard establishes a five-step model governing revenue recognition. The five-step model requires Barclays Group to (i) identify the contract with the customer, (ii) identify each of the performance obligations included in the contract, (iii) determine the amount of consideration in the contract, (iv) allocate the consideration to each of the identified performance obligations and (v) recognise revenue as each performance obligation is satisfied.

Included in the revenue are fair value movements (on financial assets held at fair value through the Statement of Profit or Loss and Other Comprehensive Income), gains on disposals and other income from financial assets (dividends).

4.3 Dividends from subsidiaries

Dividends income is recognised when the right to receive payment is established, which is when the dividends are received or the dividends are appropriately authorised by the subsidiary.

4.4 Interest

Interest income on loans and advances at amortised cost and financial assets at fair value through other comprehensive income, and interest expense on financial liabilities held at amortised cost, are calculated using the effective interest method which allocates interest, and direct and incremental fees and costs, over the expected lives of the assets and liabilities.

The effective interest method requires the Company to estimate future cash flows, in some cases based on its experience of customers' behaviour, considering all contractual terms of the financial instrument, as well as the expected lives of the assets and liabilities.

4.5 Current and deferred tax

Income tax payable on taxable profits ('current tax'), is recognised as an expense in the period in which the profits arise. Income tax recoverable on tax allowable losses is recognised as an asset only to the extent that it is regarded as recoverable by offset against current year or prior year taxable profits.

Deferred income tax is provided in full, using the liability method, on temporary differences arising from the differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements. Deferred income tax is determined using tax rates and legislation enacted or substantively enacted by the Statement of Financial Position date and that are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Summary of significant accounting policies (continued)

4.5 Current and deferred tax (continued)

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are recognised for all taxable temporary differences except from the initial recognition of goodwill. Deferred tax is not recognised where the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred and current tax assets and liabilities are only offset where there is both a legal right and an intention to settle on a net basis or to realise the asset and settle the liability simultaneously with the same tax authority.

4.6 Financial assets and liabilities

The Company applies IFRS 9 Financial Instruments to the recognition, classification and measurement, and derecognition of financial assets and financial liabilities and the impairment of financial assets.

Recognition

The Company recognises financial assets and liabilities when it becomes a party to the terms of the contract. Trade date or settlement date accounting is applied depending on the classification of the financial asset.

Classification and measurement

Financial assets are classified on the basis of two criteria:

- i) the business model within which financial assets are managed; and
- ii) their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest' (SPPI)).

The Company assesses the business model criteria at a portfolio level. Information that is considered in determining the applicable business model includes (i) policies and objectives for the relevant portfolio, (ii) how the performance and risks of the portfolio are managed, evaluated and reported to management, and (iii) the frequency, volume and timing of sales in prior periods, sales expectation for future periods, and the reasons for such sales.

The contractual cash flow characteristics of financial assets are assessed with reference to whether the cash flows represent SPPI. In assessing whether contractual cash flows are SPPI compliant, interest is defined as consideration primarily for the time value of money and the credit risk of the principal outstanding. The time value of money is defined as the element of interest that provides consideration only for the passage of time and not consideration for other risks or costs associated with holding the financial asset. Terms that could change the contractual cash flows so that it would not meet the condition for SPPI are considered, including: (i) contingent and leverage features, (ii) non-recourse arrangements and (iii) features that could modify the time value of money.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets and liabilities measured at amortised cost

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and their contractual cash flows represent SPPI. Financial liabilities are held at amortised cost except for those held for trading or designated at fair value through profit and loss.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Summary of significant accounting policies (continued)

4.6 Financial assets and liabilities (continued)

In determining whether the business model is a 'hold to collect' model, the objective of the business model must be to hold the financial asset to collect contractual cash flows rather than holding the financial asset for trading or short-term profit taking purposes. While the objective of the business model must be to hold the financial asset to collect contractual cash flows this does not mean the Company is required to hold the financial assets until maturity. When determining if the business model objective is to collect contractual cash flows the Company will consider past sales and expectations about future sales.

Loans and advances and financial liabilities, are held at amortised cost. That is, the initial fair value (which is normally the amount advanced or borrowed) is adjusted for repayments and the amortisation of coupon, fees and expenses to represent the effective interest rate of the asset or liability. Balances deferred on Statement of Financial Position as effective interest rate adjustments are amortised to interest income over the life of the financial instrument to which they relate.

Financial assets measured at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and their contractual cash flows represent SPPI.

Financial assets at fair value through profit or loss

Other financial assets are measured at fair value through profit and loss. There is an option to make an irrevocable election for non-traded equity investments to be measured at fair value through other comprehensive income, in which case dividends are recognised in profit or loss, but gains or losses are not reclassified to profit or loss upon derecognition, and impairment is not recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Accounting for financial assets mandatorily at fair value through profit or loss

Financial assets that are held for trading are recognised at fair value through profit or loss. In addition, financial assets are held at fair value through profit or loss if they do not contain contractual terms that give rise on specified dates to cash flows that are SPPI, or if the financial asset is not held in a business model that is either (i) a business model to collect the contractual cash flows or (ii) a business model that is achieved by both collecting contractual cash flows and selling. Subsequent changes in fair value for these instruments are recognised in the Statement of Profit or Loss and Other Comprehensive Income in net investment income, except if reporting it in trading income reduces an accounting mismatch.

Accounting for financial assets designated at fair value through profit or loss

Financial assets, other than those held for trading, are classified in this category if they are so irrevocably designated at inception and the use of the designation removes or significantly reduces an accounting mismatch.

Subsequent changes in fair value are recognised in the Statement of Profit or Loss and Other Comprehensive Income in net investment income.

Determining fair value

Where the classification of a financial instrument requires it to be stated at fair value, this is determined by reference to the quoted market price in an active market wherever possible. Where no such active market exists for the particular asset, the Company uses a valuation technique to arrive at the fair value, including the use of prices obtained in recent arms' length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Summary of significant accounting policies (continued)

4.6 Financial assets and liabilities (continued)

Impairment of financial assets

The Company is required to recognise expected credit losses (ECLs) based on unbiased forward-looking information for all financial assets at amortised cost, lease receivables, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. Intercompany exposures, including loan commitments and financial guarantee contracts, are also in scope of IFRS 9 for ECL purposes.

At the reporting date, an allowance or provision for loan commitments and financial guarantees is required for the 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 2), or if the financial instrument is credit impaired (Stage 3) an allowance (or provision) should be recognised for the lifetime ECLs.

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD).

The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Statement of Financial Position date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

Determining a significant increase in credit risk since initial recognition:

The Company assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

Quantitative test

The annualised cumulative weighted average lifetime PD has increased by more than an agreed threshold relative to the equivalent at origination.

PD deterioration thresholds are defined as percentage increases, and are set at an origination score band and segment level to ensure the test appropriately captures significant increases in credit risk at all risk levels. Generally, thresholds are inversely correlated to the origination PD, i.e. as the origination PD increases, the threshold value reduces.

The assessment of the point at which a PD increase is deemed 'significant', is based upon analysis of the portfolios' risk profile against a common set of principles and performance metrics (consistent across both retail and wholesale businesses), incorporating expert credit judgement where appropriate. Application of quantitative PD floors does not represent the use of the low credit risk exemption as exposures can separately move into Stage 2 via the qualitative route described below.

Wholesale assets apply a 100% increase in PD and 0.2% PD floor to determine a significant increase in credit risk. Retail assets apply bespoke relative increase and absolute PD thresholds based on product type and origination PD. Thresholds are subject to maximums defined by Group policy and typically apply minimum relative thresholds of 50-100% and a maximum relative threshold of 400%. For existing/historical exposures where origination point scores or data are no longer available or do not represent a comparable estimate of lifetime PD, a proxy origination score is defined, based upon:

- back-population of the approved lifetime PD score either to origination date or, where this is not feasible, as far back as possible (subject to a data start point no later than 1 January 2015), or

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Summary of significant accounting policies (continued)

4.6 Financial assets and liabilities (continued)

Quantitative test

- use of available historical account performance data and other customer information, to derive a comparable 'proxy' estimation of origination PD.

Qualitative test

Accounts meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring.

High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress. The definition and assessment of high risk includes as wide a range of information as reasonably available, including industry and Group wide customer level data wherever possible or relevant.

Whilst the high risk populations applied for IFRS 9 impairment purposes are aligned with risk management processes, they are also regularly reviewed and validated to ensure that they capture any incremental segments where there is evidence of credit deterioration.

Backstop criteria

Accounts that are 30 calendar days or more past due. The 30 days past due criteria is a backstop rather than a primary driver of moving exposures into Stage 2.

The criteria for determining a significant increase in credit risk for assets with bullet repayments follows the same principle as all other assets, i.e. quantitative, qualitative and backstop tests are all applied.

Exposures will move back to Stage 1 once they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met. This is subject to all payments being up to date and the customer evidencing ability and willingness to maintain future payments.

The Company does not rely on the low credit risk exemption which would assume facilities of investment grade are not significantly deteriorated. Determining the PD at initial recognition requires management estimates.

Management overlays and other exceptions to model outputs are applied only if consistent with the objective of identifying significant increases in credit risk.

Forward-looking information

Credit losses are the expected cash shortfalls from what is contractually due over the expected life of the financial instrument, discounted at the original effective interest rate (EIR). ECLs are the unbiased probability-weighted credit losses determined by evaluating a range of possible outcomes and considering future economic conditions. When there is a non-linear relationship between forward-looking economic scenarios and their associated credit losses, five forward-looking economic scenarios are considered to ensure a sufficient unbiased representative sample of the complete distribution is included in determining the expected loss. Stress testing methodologies are leveraged within forecasting economic scenarios.

The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives, and estimation of EAD and assessing significant increases in credit risk. Impairment charges will tend to be more volatile and will be recognised earlier. Unsecured products with longer expected lives, such as revolving credit cards, are the most impacted.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Summary of significant accounting policies (continued)

4.6 Financial assets and liabilities (continued)

Forward-looking information (continued)

The Company utilises an external consensus forecast as the baseline scenario. In addition, two adverse and two favourable scenarios are derived, with associated probability weightings. The adverse scenarios are calibrated to a similar severity to internal stress tests, whilst also incorporating IFRS 9 specific sensitivities and non-linearity. The most adverse scenarios are benchmarked to the Bank of England's annual cyclical scenarios and to the most severe scenarios from Moody's inventory, but are not designed to be the same. The favourable scenarios are calibrated to be symmetric to the adverse scenarios, subject to a ceiling calibrated to relevant recent favourable benchmark scenarios. The scenarios include six core variables, (GDP, unemployment and House Price Index in both the UK & US markets), and expanded variables using statistical models based on historical correlations. The probability weights of the scenarios are estimated such that the baseline (reflecting current consensus outlook) has the highest weight and the weights of adverse and favourable scenarios depend on the deviation from the baseline; the further from the baseline, the smaller the weight. A single set of five scenarios is used across all portfolios and all five weights are normalised to equate to 100%. The impacts across the portfolios are different because of the sensitivities of each of the portfolios to specific macroeconomic variables, for example, mortgages are highly sensitive to house prices and base rates, and credit cards and unsecured consumer loans are highly sensitive to unemployment.

Definition of default, credit impaired assets, write-offs, and interest income recognition

The definition of default for the purpose of determining ECLs has been aligned to the Regulatory Capital CRR Article 178 definition of default, which considers indicators that the debtor is unlikely to pay, includes exposures in forbearance and is no later than when the exposure is more than 90 days past due or 180 days past due in the case of UK mortgages. When exposures are identified as credit impaired or purchased or originated as such interest income is calculated on the carrying value net of the impairment allowance.

An asset is considered credit impaired when one or more events occur that have a detrimental impact on the estimated future cash flows of the financial asset. This comprises assets defined as defaulted and other individually assessed exposures where imminent default or actual loss is identified.

Uncollectible loans are written off against the related allowance for loan impairment on completion of the Barclays Group's internal processes and when all reasonably expected recoverable amounts have been collected. Subsequent recoveries of amounts previously written off are credited to the Income Statement.

Loan modifications and renegotiations that are not credit-impaired

When modification of a loan agreement occurs as a result of commercial restructuring activity rather than due to credit risk of the borrower, an assessment must be performed to determine whether the terms of the new agreement are substantially different from the terms of the existing agreement. This assessment considers both the change in cash flows arising from the modified terms as well as the change in overall instrument risk profile.

Where terms are substantially different, the existing loan will be derecognised and new loan recognised at fair value, with any difference in valuation recognised immediately within the Income Statement, subject to observability criteria.

Where terms are not substantially different, the loan carrying value will be adjusted to reflect the present value of modified cash flows discounted at the original EIR, with any resulting gain or loss recognised immediately within the Income Statement as a modification gain or loss.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Summary of significant accounting policies (continued)

4.6 Financial assets and liabilities (continued)

Expected life

Lifetime ECLs must be measured over the expected life. This is restricted to the maximum contractual life and takes into account expected prepayment, extension, call and similar options. The exceptions are certain revolver financial instruments, such as credit cards and bank overdrafts, that include both a drawn and an undrawn component where the entity's contractual ability to demand repayment and cancel the undrawn commitment does not limit the entity's exposure to credit losses to the contractual notice period.

The expected life for these revolver facilities is expected to be behavioural life. Where data is insufficient or analysis inconclusive, an additional 'maturity factor' may be incorporated to reflect the full estimated life of the exposures, based upon experienced judgement and/or peer analysis. Potential future modifications of contracts are not taken into account when determining the expected life or EAD until they occur.

Discounting

ECLs are discounted at the EIR at initial recognition or an approximation thereof and consistent with income recognition. For loan commitments the EIR is the rate that is expected to apply when the loan is drawn down and a financial asset is recognised. Issued financial guarantee contracts are discounted at the risk free rate. Lease receivables are discounted at the rate implicit in the lease. For variable/floating rate financial assets, the spot rate at the reporting date is used and projections of changes in the variable rate over the expected life are not made to estimate future interest cash flows or for discounting.

Modelling techniques

ECLs are calculated by multiplying three main components, being the PD, LGD and the EAD, discounted at the original EIR. The regulatory Basel Committee of Banking Supervisors (BCBS) ECL calculations are leveraged for IFRS 9 modelling but adjusted for key differences which include:

BCBS requires 12 month through the economic cycle losses whereas IFRS 9 requires 12 months or lifetime point in time losses based on conditions at the reporting date and multiple forecasts of the future economic conditions over the expected lives;

IFRS 9 models do not include certain conservative BCBS model floors and downturn assessments and require discounting to the reporting date at the original EIR rather than using the cost of capital to the date of default;

Management adjustments are made to modelled output to account for situations where known or expected risk factors and information have not been considered in the modelling process, for example forecast economic scenarios for uncertain political events; and

ECL is measured at the individual financial instrument level, however a collective approach where financial instruments with similar risk characteristics are grouped together, with apportionment to individual financial instruments, is used where effects can only be seen at a collective level, for example for forward-looking information.

For the IFRS 9 impairment assessment, Barclays Group' risk models are used to determine the PD, LGD and EAD. For Stage 2 and 3, Barclays Group applies lifetime PDs but uses 12 month PDs for Stage 1. The ECL drivers of PD, EAD and LGD are modelled at an account level which considers vintage, among other credit factors. Also, the assessment of significant increase in credit risk is based on the initial lifetime PD curve, which accounts for the different credit risk underwritten over time.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Summary of significant accounting policies (continued)

4.6 Financial assets and liabilities (continued)

Forbearance

A financial asset is subject to forbearance when it is modified due to the credit distress of the borrower. A modification made to the terms of an asset due to forbearance will typically be assessed as a nonsubstantial modification that does not result in derecognition of the original loan, except in circumstances where debt is exchanged for equity.

Both performing and non-performing forbearance assets are classified as Stage 3 except where it is established that the concession granted has not resulted in diminished financial obligation and that no other regulatory definitions of default criteria has been triggered, in which case the asset is classified as Stage 2. The minimum probationary period for non-performing forbearance is 12 months and for performing forbearance, 24 months. Hence, a minimum of 36 months is required for non-performing forbearance to move out of a forborne state.

No financial instrument in forbearance can transfer back to Stage 1 until all of the Stage 2 thresholds are no longer met and can only move out of Stage 3 when no longer credit impaired.

Netting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a legally enforceable right to set off the recognised amounts in all circumstances and there is an intention to settle on a net basis, or to realise an asset and settle the liability simultaneously.

4.7 Share capital and dividends

Share issue costs

Incremental costs directly attributable to the issue of new shares or options or the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Company's shareholders.

4.8 Cash and cash equivalents

Cash comprises cash on hand, demand deposits, and cash equivalents. Cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months. Trading balances are not considered to be part of cash equivalents.

4.9 Investments in subsidiaries

Investments in subsidiaries are stated at cost less impairment, if any.

4.10 Critical accounting estimates

The preparation of financial statements in accordance with UK-adopted international accounting standards requires the use of estimates. It also requires management to exercise judgement in applying the accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements are highlighted under the relevant note.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****5. Interest income and expense****Recognised in profit or loss**

	2022 £	2021 £
Interest income		
Bank interest received	7,007,663	8,545,775
Total interest income	<u>7,007,663</u>	<u>8,545,775</u>
Interest expense		
Bank interest paid	10,554,305	11,996,259
Total interest expense	<u>10,554,305</u>	<u>11,996,259</u>
Net interest expense recognised in profit or loss	<u>(3,546,642)</u>	<u>(3,450,484)</u>

6. (Loss)/profit before tax

The audit fees of £54,810 for the 2022 year end (2021: £50,870) have been borne by Barclays Bank PLC and have not been recharged to the Company. The fee is not recognised as an expense in the financial statements of the Company.

7. Employees and key management, including Directors

The Company had no direct employees during 2022 (2021: nil).

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the Directors of the Company listed on page 2.

The Directors are employed and remunerated by other companies within the Barclays Group and consider that their services to the Company are incidental to their other responsibilities within the Barclays Group. The Directors' remuneration in respect of their qualifying services for the Company is considered to be trivial.

During the period:

Five Directors are accruing retirement benefits under a defined benefit scheme or defined contribution scheme (2021: four).

None of the Directors exercised options under the Barclays PLC Sharesave scheme and Long Term Incentive schemes during 2022 (2021: none).

Two Directors are entitled to benefits under the Share Value Plan (2021: two).

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****8. Tax****8.1 Income tax recognised in profit or loss**

	2022 £	2021 £
Current tax credit		
Current year	(840,168)	(1,104,030)
Adjustment for prior years	101,135	36,950
Total current tax credit	(739,033)	(1,067,080)
Deferred tax expense		
Current year	999,934	7,360,016
Adjustment for prior years	-	1,423
Rate change adjustment	315,751	3,804,370
Total deferred tax expense	1,315,685	11,165,809
Total tax expense	576,652	10,098,729

The reasons for the difference between the actual tax (credit)/charge for the year and the standard rate of corporation tax in the United Kingdom applied to (losses)/profits for the year are as follows:

	2022 £	2021 £
(Loss)/profit for the year	(11,930,582)	75,391,421
Income tax expense	576,652	10,098,729
(Loss)/profit before income taxes	(11,353,930)	85,490,150
Tax using the Company's domestic tax rate of 19% (2021:19%)	(2,157,247)	16,243,129
Adjustment for prior years	101,135	38,373
Non-taxable income	2,630,173	(15,527,938)
Non-taxable dividend income	(2,078,602)	(1,819,151)
Recognition of deferred tax	999,878	7,359,946
Tax arising on disposal of investment	765,564	-
Rate change adjustment	315,751	3,804,370
Total tax expense	576,652	10,098,729

Changes in tax rates and factors affecting the future tax charges

The UK corporation tax rate of 19% has been used to calculate current tax balances for the year ended 31 December 2022.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****8. Tax (continued)****8.2 Current tax assets**

	2022 £	2021 £
Group relief receivable	632,044	1,220,762

9.3 Deferred tax balances

The following is the analysis of deferred tax liabilities presented in the Statement of Financial Position:

	2022 £	2021 £
Provision at start of period	15,851,474	4,685,665
Deferred tax charge to Statement of Profit or Loss and Other Comprehensive Income for the period	999,934	7,360,016
Effect of changes in tax rates	315,751	3,804,370
Adjustments for prior years	-	1,423
Provision at end of period	17,167,159	15,851,474
Fixed asset timing differences	(341)	(398)
Unrealised gains on investments	17,167,500	15,851,872
Total	17,167,159	15,851,474

Legislation has been introduced to increase the main rate of corporation tax from 19% to 25%, effective from 1 April 2023, which was substantively enacted on 24 May 2021. Deferred tax balances at 31 December 2022 have been remeasured at the tax rate to be applied when temporary differences are expected to reverse.

9. Financial assets at fair value through the income statement

	2022 £	2021 £
Equity securities	458,306,098	361,864,761
Other financial assets	24,749,654	22,431,082
Total	483,055,752	384,295,843

An analysis of the fair values of these securities and the valuation methodology applied are described in note 16.

Information relating to financial risks is included in note 15.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****10. Related undertakings**

Investments in subsidiaries

Details of the Company's material subsidiary at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company (%) 2022
1) Female Innovators Lab L.P.	Cultivating entrepreneurial talent in women from all sides of financial services	United Kingdom	92

The Company increased its stake in Female Innovators Lab L.P. during the year, increasing it to 92%. Hence, for standalone reporting purpose it has been classified as an investment in subsidiary.

The registered office address of Female Innovators Lab L.P. is 3rd Floor, 25 Soho Square, London, England, W1D 3QR.

In the opinion of the Directors, the value of the Company's investments in its subsidiary undertaking is not less than the amount at which it is included in the Statement of Financial Position. The carrying value at the year end is £8,682,727 (2021: £nil).

The financial statements contain information about Barclays Unquoted Investments Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken of the exemption under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included in full consolidation in the consolidated financial statements of its ultimate parent, Barclays PLC, a company incorporated in the United Kingdom.

Investments in related undertakings

The following table provides information in respect of the undertakings in which the Company has a significant holding at 31 December 2022:

Name of undertaking	Registered office address	Class of shares held	Proportion of class of shares held %	Aggregate capital and reserves £000	Profit or loss £000
Tripstax Technologies Limited	Third floor 1 Ashley Road, Altrincham, Cheshire, WA14 2DT	B ordinary shares	21	N/A	N/A
Conuity Software LLC	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, Delaware	B preference shares (voting)	5	N/A	N/A

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Investments in related undertakings (continued)

Name of undertaking	Registered office address	Class of shares held	Proportion of class of shares held %	Aggregate capital and reserves £000	Profit or loss £000
Conuity Software LLC	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 198080, Delaware	B preference shares (non-voting)	100	N/A	N/A
Female Innovators Lab L.P.	3rd Floor, 25 Soho Square, London, W1D 3QR	Partnership interest	60	N/A	N/A
Trade Ideas Limited	3-5 London Road, Rainham, Kent, Gillingham, ME8 7RG	A common shares	20	N/A	N/A
Agora Intelligence Inc.	C/O Steven Lee, 51 E Campbell Ave, Suite 125, Campbell, CA 95008, California	A common shares	4	N/A	N/A
Agora Intelligence Inc.	C/O Steven Lee, 51 E Campbell Ave, Suite 125, Campbell, CA 95008, California	B common shares	100	N/A	N/A
Hivemind Technologies Limited	Second floor, 110 Cannon Street, London, EC4N 6EU	A3 preference shares	3	N/A	N/A
Hivemind Technologies Limited	Second floor, 110 Cannon Street, London, EC4N 6EU	A4 preference shares	100	N/A	N/A
Cyberiadai Ltd	C/O Salvares Jbs UK Ltd, Niddry Lodge, 51 Holland Street, London, W8 7JB	Common shares	2	N/A	N/A
Cyberiadai Ltd	C/O Salvares Jbs UK Ltd, Niddry Lodge, 51 Holland Street, London, W8 7JB	A preference shares (voting)	5	N/A	N/A
Cyberiadai Ltd	C/O Salvares Jbs UK Ltd, Niddry Lodge, 51 Holland Street, London, W8 7JB	A preference shares (non-voting)	100	N/A	N/A

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Investments in related undertakings (continued)

Name of undertaking	Registered office address	Class of shares held	Proportion of class of shares held %	Aggregate capital and reserves £000	Profit or loss £000
Waffle Labs Inc	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 198080, Delaware	Common shares	2	N/A	N/A
Waffle Labs Inc	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 198080, Delaware	Seed preference shares	100	N/A	N/A
Lance Global, Inc.	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 198080, Delaware	Common shares	3	N/A	N/A
Lance Global, Inc.	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 198080, Delaware	Seed-1 preference shares (voting)	4	N/A	N/A
Lance Global, Inc.	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 198080, Delaware	Seed-1 preference shares (non-voting)	100	N/A	N/A
Openfin Inc	C/O The Corporation Trust Company, Corporation Trust Center 1209 Orange St, New Castle, Wilmington, DE 198090, Delaware	C-1 preference shares	5	N/A	N/A
Openfin Inc	C/O The Corporation Trust Company, Corporation Trust Center 1209 Orange St, New Castle, Wilmington, DE 198090, Delaware	C-2 preference shares	37	N/A	N/A

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Investments in related undertakings (continued)

Name of undertaking	Registered office address	Class of shares held	Proportion of class of shares held %	Aggregate capital and reserves £000	Profit or loss £000
IHS Markit KY3P LLC	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 198080, Delaware	B preference shares (voting)	5	N/A	N/A
IHS Markit KY3P LLC	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 198080, Delaware	B preference shares (non-voting)	31	N/A	N/A
Wematch.live R&D Ltd	114 Alon Yigal, Tel Aviv-Jaffa, 6744320	B preference shares (voting)	5	N/A	N/A
Wematch.live R&D Ltd	114 Alon Yigal, Tel Aviv-Jaffa, 6744320	B preference shares (non-voting)	50	N/A	N/A
Loyalty Angels Ltd	2 Queens Square, Lyndhurst Road, Ascot, SL5 9FE, Berkshire	A preference shares	2	(666,121)	(11,800,851)
Loyalty Angels Ltd	2 Queens Square, Lyndhurst Road, Ascot, SL5 9FE, Berkshire	B preference shares (voting)	12	(666,121)	(11,800,851)
Loyalty Angels Ltd	2 Queens Square, Lyndhurst Road, Ascot, SL5 9FE, Berkshire	B preference shares (non-voting)	100	(666,121)	(11,800,851)
Barrenjoey Capital Partners Group Holdings Pty Ltd	Quay Quarter Tower, Level 19, 50 Bridge Street, Sydney, NSW 2000, New South Wales	A preference shares	5	N/A	N/A
Barrenjoey Capital Partners Group Holdings Pty Ltd	Quay Quarter Tower, Level 19, 50 Bridge Street, Sydney, NSW 2000, New South Wales	B preference shares	100	N/A	N/A
Liberis Holdings Limited	No 2, The Forum, Grenville Street, St Helier, JE1 4HH	Common shares	5	N/A	N/A

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Investments in related undertakings (continued)

Name of undertaking	Registered office address	Class of shares held	Proportion of class of shares held %	Aggregate capital and reserves £000	Profit or loss £000
Liberis Holdings Limited	No 2, The Forum, Grenville Street, St Helier, JE1 4HH	A2 preference shares	6	N/A	N/A
Liberis Holdings Limited	No 2, The Forum, Grenville Street, St Helier, JE1 4HH	A3 preference shares	100	N/A	N/A
Spark Change Group Inc.	1000 2nd Avenue, Ste 3200, Seattle, WA 981041, Washington	Series S-1 preference shares (voting)	5	N/A	N/A
Spark Change Group Inc.	1000 2nd Avenue, Ste 3200, Seattle, WA 981041, Washington	Series S-4 preference shares (voting)	5	N/A	N/A
Spark Change Group Inc.	1000 2nd Avenue, Ste 3200, Seattle, WA 981041, Washington	S-1 preference shares (non-voting)	100	N/A	N/A
Spark Change Group Inc.	1000 2nd Avenue, Ste 3200, Seattle, WA 981041, Washington	S-4 preference shares (non-voting)	100	N/A	N/A
Liquidly Inc	C/O United Corporate Services, Inc., 874 Walker Rd STE C, Dover, DE 19904, Delaware	B common shares	4	N/A	N/A
Liquidly Inc	C/O United Corporate Services, Inc., 874 Walker Rd STE C, Dover, DE 19904, Delaware	Series S-1 preference shares (voting)	5	N/A	N/A
Liquidly Inc	C/O United Corporate Services, Inc., 874 Walker Rd STE C, Dover, DE 19904, Delaware	Series S-2 preference shares (voting)	5	N/A	N/A
Liquidly Inc	C/O United Corporate Services, Inc., 874 Walker Rd STE C, Dover, DE 19904, Delaware	S-1 preference shares (non-voting)	100	N/A	N/A

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****Investments in related undertakings (continued)**

Name of undertaking	Registered office address	Class of shares held	Proportion of class of shares held %	Aggregate capital and reserves £000	Profit or loss £000
Liquidly Inc	C/O United Corporate Services, Inc., 874 Walker Rd STE C, Dover, DE 19904, Delaware	S-2 preference shares (non-voting)	100	N/A	N/A
Euphony Benelux NV	Postbus 751, Neiuwegein, Utrecht, 3430 AT	B ordinary shares	100	N/A	N/A

11. Deposits

	2022 £	2021 £
Short term deposits - due from related parties	280,215,291	508,311,566
Long term deposits - due from related parties	9,107,912	11,561,581
Total	289,323,203	519,873,147

The Directors consider that the carrying amount of the deposits approximates their fair value.

The deposits above are stage 1 as at the 31 December 2022 (2021: Stage 1) and the expected credit losses (ECL) are immaterial.

12. Borrowings

	2022 £	2021 £
Short term borrowings - due to related parties	314,320,080	576,547,300
Long term borrowings - due to related parties	141,891,291	91,812,439
Total	456,211,371	668,359,739

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****13. Trade and other payables**

	2022 £	2021 £
Current		
Trade payables	208,421	208,421
Payables to related parties	20,530	20,530
Accrued expenses	1,913,809	393,064
Total	<u>2,142,760</u>	<u>622,015</u>

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

14. Share capital**Issued and fully paid**

	2022 Number	2022 £	2021 Number	2021 £
Ordinary shares of £1.00 each				
At 1 January and 31 December	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****15. Financial risks**

The Company's activities expose it to a variety of financial risks. These are credit risk, liquidity risk and market risk, (which includes foreign currency risk, interest rate risk and price risk). Consequently, the Company devotes considerable resources to maintaining effective controls to manage, measure and mitigate each of these risks, and regularly reviews its risk management procedures and systems to ensure that they continue to meet the needs of the business.

The Board of Directors monitors the Company's financial risks and has responsibility for ensuring effective risk management and control.

a) Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company.

The Company assesses all investments before proceeding and there is a formal approval process via an Investment Committee, who also track the performance of all investments throughout the life of each investment. This Investment Committee would also agree any material changes in investment terms and the management thereof. The Company does not hold collateral in respect of its investments, per the nature of its activity.

Maximum exposure to credit risk

The Company's maximum exposure to credit risk is the carrying value of the assets. This analysis and subject analyses of credit risk include only financial assets subject to credit risk. They exclude other financial assets, mainly equity securities held in the trading portfolio or as available for sale assets, as well as non-financial assets.

The following table shows the maximum exposure to credit risk at 31 December:

	2022	2021
	£	£
Cash and cash equivalents	48,286,987	145,927,704
Long term deposits	9,107,912	11,561,581
Short term deposits	280,215,291	508,311,566
Other assets	514,978	420,755
Total maximum exposure	338,125,168	666,221,606

The Company does not hold any collateral as security.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

15. Financial risks (continued)

b) Liquidity risk

Liquidity risk is the risk that the Company's cash and committed facilities may be insufficient to meet its payment obligations as they fall due. The Company has the financial support of the parent undertaking Barclays PLC, it also maintains banking facilities with Barclays Bank PLC. These facilities are designed to ensure the Company has sufficient available funds for operations.

The medium to long term nature of the assets are funded by share capital and loans from the parent and, therefore, the only Liquidity risk is likely to be short term in relation to drawing of capital to meet investment objectives. The Company seeks to settle payables positions as soon as possible.

Contractual maturity of financial liabilities on an undiscounted basis

The table below presents the cash flows payable by the company under financial liabilities by remaining contractual maturities at the Statement of Financial Position date. The amounts disclosed in the table are the contractual undiscounted cash flows of all financial liabilities (i.e. nominal values), whereas the Company manages the inherent liquidity risk based on discounted expected cash inflows.

As at 31st Dec 2022	<=1 year	1-2 years	2-5 years	5-10 years	>10 years	Total
	£	£	£	£	£	£
Trade and other payables	2,142,760	-	-	-	-	2,142,760
Short term borrowings	314,320,080	-	-	-	-	314,320,080
Long term borrowings	-	-	31,316,956	110,574,335	-	141,891,291
Total	316,462,840	-	31,316,956	110,574,335	-	458,354,131

As at 31st Dec 2021	<=1 year	1-2 years	2-5 years	5-10 years	>10 years	Total
	£	£	£	£	£	£
Trade and other payables	622,015	-	-	-	-	622,015
Short term borrowings	576,547,300	-	-	-	-	576,547,300
Long term borrowings	-	-	37,240,052	54,572,387	-	91,812,439
Total	577,169,315	-	37,240,052	54,572,387	-	668,981,754

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****15. Financial risks (continued)****c) Market risk**

Market risk is the risk that the Company's earnings or capital, or its ability to meet business objectives will be adversely affected by changes in the level or volatility of market rates or prices such as interest rates, equity prices and foreign exchange rates.

Interest rate risk

Interest rate risk is the possibility that changes in interest rates will result in higher financing costs and/or reduced income from the Company's interest bearing financial assets and liabilities.

Interest rate sensitivity analysis

The sensitivity of the Statement of Profit or Loss and Other Comprehensive Income is the effect of assumed changes in interest rates on the net interest income for one year, based on the floating rate non-trading financial assets and financial liabilities held at 31 December 2022.

Impact on net interest income and equity

The effect on interest of a 25 basis points change would be as follows:

	2022	2022	2021	2021
	+25 basis points	-25 basis points	+25 basis points	-25 basis points
Total £	35,687	(35,687)	31,895	(31,895)
As a percentage of net interest income	(1%)	1%	(1)%	1%

Foreign currency risk

Items included in the financial statements of the Company are measured using their functional currency.

Foreign currency transactions are translated into sterling using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rate prevailing at the period end. Foreign exchange gains and losses resulting from the retranslation and settlement of these items are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Non-monetary assets that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Exchange differences on equities and similar non-monetary items held at fair value through profit and loss, are reported as part of the fair value gain or loss. Translation differences on equities classified as available for sale financial assets and non-monetary items are included directly in equity.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****15. Financial risks (continued)****Foreign currency risk (continued)**

The following sensitivity table demonstrates the effects of a 10% rise or fall in foreign exchange rates for each of the major foreign currency exposures of the Company:

	2022	2022	2022	2022
	£	%	£	%
	Impact on profit after tax if currency weakens 10% vs GBP	Impact on profit after tax if currency weakens 10% vs GBP	Impact on profit after tax if currency strengthens 10% vs GBP	Impact on profit after tax if currency strengthens 10% vs GBP
Effect on income				
US Dollar	79,326	0.1%	(96,953)	(0.1%)
Euro	108,473	0.1%	(132,579)	(0.2%)
AUD	61,760	0.1%	(75,485)	(0.1%)
CAD	87,165	0.1%	(106,535)	(0.1%)
HKD	12,642	0.1%	(15,452)	(0.0%)
	2021	2021	2021	2021
	£	%	£	%
	Impact on profit after tax if currency weakens 10% vs GBP	Impact on profit after tax if currency weakens 10% vs GBP	Impact on profit after tax if currency strengthens 10% vs GBP	Impact on profit after tax if currency strengthens 10% vs GBP
Effect on equity				
US Dollar	(1,151,467)	(1.5%)	1,407,348	1.9%
Euro	(421,837)	(0.6%)	515,579	0.7%
AUD	13,110	0.0%	16,023	0.0%
CAD	75,722	0.1%	92,550	(0.1%)
HKD	16,158	0.0%	19,749	0.0%

Price risk

Price risk is the risk that market prices for the Company's investment securities measured at fair value may fall. The Company is exposed to equity securities price risk because of investments held at fair value through profit or loss. The Company is not exposed to commodity price movements.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio and ensures all investments are pre-approved by its Investment Committee. Price risk is tracked via half yearly Valuations Committee and fair values applied as a result of this and any Directors over-rides at the reporting date.

Investments are predominantly in unquoted private companies therefore, successful price risk management is achieved by ensuring that the Company pays an appropriate price at purchase and also that each investment will achieve value growth prior to disposal.

The fair value of the investments can be affected by the volatility in the markets in which they operate, impacting upon comparable price/earnings ratio (PE), an observable measure which can be used to value these investments.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****15. Financial risks (continued)****Price risk (continued)**

The investments are valued in accordance with the 'International Private Equity and Venture Capital Valuation Guidelines'. This requires the use of a number of individual pricing benchmarks such as the prices of recent transactions in the same or similar entities, discounted cash flow analysis, and comparison with the earnings multiples of listed comparative companies. Full valuations are generally performed at least bi-annually, with the positions reviewed periodically for material events that might impact upon fair value. The valuation of unquoted equity instruments is subjective by nature. However, the relevant methodologies are commonly applied by other market participants and have been consistently applied over time.

The relevant valuation models are each sensitive to a number of key assumptions, such as equity prices for equity put options, projected future earnings, comparator multiples, discount rates for marketability, size and liquidity. Valuation sensitivity is estimated by flexing such assumptions on the discount factor to reasonable alternative levels and determining the impact in the resulting valuation.

	Fair value	Favourable changes	Unfavourable changes		
	Total assets	Income statement	Equity	Income statement	Equity
	£	£	£	£	£
As at 31 Dec 2022					
Fair value through income statement	-	43,901,567	-	(37,240,654)	-
Total	-	43,901,567	-	(37,240,654)	-
As at 31 Dec 2021					
Fair value through income statement	-	31,933,609	-	(27,283,926)	-
Total	-	31,933,609	-	(27,283,926)	-

Significant unobservable inputs

The Company uses 'Current Earnings Multiples' and 'Net Asset Value' approach to value its investments. This methodology involves the application of an 'earnings multiple' to the best estimate of 'maintainable earnings' of the business to determine the Enterprise Value of the business which is then allocated to the various interests – which includes the Company's investments. This means making a judgement over the outlook for the current underlying trend in trading to determine what is reasonably maintainable earnings.

In the difficult situations involving rescue financing or a turnaround of the business, where it is not unusual for such businesses to be loss making at the point of investment it is not representative to use a current earnings approach. The IPEV guidance is that fair value in most of these cases should be possible to estimate on the amount a market participant would pay for the investment in question.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****16. Fair value measurement**

The fair value of an asset or liability is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following table shows the Company's financial assets and liabilities that are held at fair value analysed by valuation technique. The classification of instruments is based on the lowest level input that is significant to the fair value measurement in its entirety. A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations based on unobservable inputs is described below:

	Quoted market prices (Level 1)	Observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
31 December 2022	£	£	£	£
Financial assets				
Financial assets at fair value through the income statement				
- equity securities	-	-	458,306,098	458,306,098
Financial assets at fair value through the income statement				
- other financial assets	-	-	24,749,654	24,749,654
Total assets	-	-	483,055,752	483,055,752

	Quoted market prices (Level 1)	Observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
31 December 2021	£	£	£	£
Financial assets				
Financial assets at fair value through income statement - equity securities	-	-	361,864,761	361,864,761
Financial assets at fair value through income statement - other securities	-	-	22,431,082	22,431,082
Total assets	-	-	384,295,843	384,295,843

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Valuation methodology

A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations based on unobservable inputs is described below.

Quoted market prices - Level 1

Financial assets and liabilities are classified as Level 1 if their value is observable in an active market. Such assets and liabilities are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

Valuation technique using observable and unobservable inputs - Level 2

Financial assets and liabilities classified as Level 2 have been valued using models whose inputs are observable in an active market. Valuations based on observable inputs include financial assets and liabilities such as swaps and forwards which are valued using market standard pricing techniques, and options that are commonly traded in markets where all the inputs to the market standard pricing models are observable. Level 2 valuation techniques can also include unobservable inputs that are not significant to the fair value measurement in its entirety.

Valuation technique using significant unobservable inputs - Level 3

Assets are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

Unobservable input levels are generally determined via reference to observable inputs, historical observations or using other analytical techniques.

Methods of valuation used for the Level 3 assets are earnings multiple, net asset value, transaction and equity option. These are used in isolation per investment or a blended combination. These methods contain a number of unobservable data inputs which have been listed below.

- Earnings Multiples includes multiples (3.5x – 14.4x) and discounts (0%-50%).
- Net Asset Value being our equity percentage of the net asset value based on the management accounts of the investment companies.
- Transaction based on recent third party arm's length transactions within the investment company. These transactions are within a year of the valuation date.
- Equity put option, the value of the put option is dependent on the strike price of an unlisted equity investment, which is valued using an earnings multiple. This is currently 1.5x above the share price.

BARCLAYS UNQUOTED INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Movements in Level 3 assets

The following table summarises the movements in the Level 3 balance during the year. The table shows gains and losses and includes amounts for all assets and liabilities transferred to and from Level 3 during the year. Transfers have been reflected as if they had taken place at the beginning of the year.

	As at 1 January	Purchases	Sales	Total gains and losses in the year recognised in the income statement	Transfer out of Level 3	As at 31 December
	£	£	£	£	£	£
2022						
Financial assets designated at fair value	384,295,843	120,244,037	(15,969,325)	3,167,924	(8,682,727)	483,055,752
Total						
assets	<u>384,295,843</u>	<u>120,244,037</u>	<u>(15,969,325)</u>	<u>3,167,924</u>	<u>(8,682,727)</u>	<u>483,055,752</u>
2021						
Financial assets designated at fair value	289,773,269	49,286,307	(18,326,175)	63,562,442	-	384,295,843
Derivative financial assets	48,781	-	-	(48,781)	-	-
Total						
assets	<u>289,822,050</u>	<u>49,286,307</u>	<u>(18,326,175)</u>	<u>63,513,661</u>	<u>-</u>	<u>384,295,843</u>

The Company has not disclosed fair value levelling for cash and cash equivalents in line with IFRS 7.29(a).

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****17. Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions, or one other party controls both.

The definition of related parties includes parent company, ultimate parent company, subsidiary, associated and joint venture companies, as well as the Company's key management which includes its Directors.

17.1 Other related party transactions

Details of transactions between the Company and its related parties, and the balances outstanding at the year end are disclosed in the table below:

Related party relationship	Type of transaction	Transaction amount		Balance outstanding	
		2022	2021	2022	2021
		£	£	£	£
Profit or Loss and Other Comprehensive Income					
Wholly owned subsidiary	Purchase of investments	(6,350,044)	-	-	-
Fellow subsidiaries	Interest received	7,007,663	8,545,775	-	-
Fellow subsidiaries	Interest paid	(10,554,305)	(11,996,259)	-	-
Statement of Financial Position					
Fellow subsidiaries	Deposits	-	-	289,323,203	519,873,147
Fellow subsidiaries	Cash and cash equivalents	-	-	48,286,987	145,927,704
Wholly owned subsidiary	Equity	-	-	8,682,727	-
Parent company	Borrowings	-	-	(348,216,062)	(348,216,062)
Fellow subsidiaries	Borrowings	-	-	(107,995,309)	(320,143,677)
Fellow subsidiaries	Trade and other payables	-	-	(20,530)	(20,530)
Total		(9,896,686)	(3,450,484)	(109,938,984)	(2,579,418)

18. Events after the reporting date

In September 2023, the Company paid an interim dividend of £175m to its immediate holding company Barclays Equity Holdings Limited, out of the excess cash and reserves of the Company.

BARCLAYS UNQUOTED INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****19. Capital management**

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern.
- To maintain an optimal capital structure in order to reduce the cost of capital.
- To generate sufficient capital to support asset growth.

The Board of Directors is responsible for capital management and has approved minimum control requirements for capital and liquidity risk management.

The Company regards as capital its equity, as shown in the Statement of Financial Position.

Total capital is as follows:

	2022	2021
	£	£
Called up share capital	1,000	1,000
Retained earnings	354,973,401	366,903,983
Total capital resources	354,974,401	366,904,983

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The business is well funded through its parent company and any significant investments require approval by the Investment Committee.

20. Parent undertaking and ultimate holding company

The Company is a subsidiary undertaking of Barclays Equity Holdings Limited which is the immediate parent company incorporated in the United Kingdom and registered in England. The ultimate controlling party is Barclays PLC.

The largest and smallest group in which the results of the Company are consolidated is that headed by Barclays PLC, 1 Churchill Place London E14 5HP. No other Group financial statements include the results of the Company.

The consolidated financial statements of these groups are available to the public and may be obtained from, <https://home.barclays/investor-relations/reports-and-events/annual-reports/>.